

1/6/2010

TO: US BANKRUPTCY COURT
THE SOUTHERN DISTRICT OF NY
ONE BOWLING GREEN
NEW YOURK, NEW YORK 10004
AND
IRVING H. PICARD, TRUSTEE
%BAKER & HOSTETLER LLP
ATT: CLAIMS DEPT
45 ROCKEFELLER PLAZA
NEW YORK, NY 10111

JAN - 8 2010

CLAIM NUMBER 08-1789 (BRL)

I disagree with the decision to deny my claims. I deposited my IRA money (claim #005692) every year with an employee of several well established brokerage firms, such as Dean Reynolds, Smith Barney, Morgan Stanley and H&R Block. These firms forwarded the money to Stanley Chais who sent the money to Madoff. (unknown to me) I felt secure in the knowledge that I was dealing with reputable insured brokerages. I paid the brokerage firms fees every year.

At age 70 1/2 I began withdrawing the required amount, as they calculated it. The money came to me in the form of a check forwarded by the brokerage firms. The amount was shown on my income tax return and I paid taxes on the amount to the IRS and the Franchise Tax Board of California.

So, it is apparent that this money was covered by the insurance premiums they paid and I felt secure that my pension money was safe. Attached to my original claim were copies of the year end statements of the brokers for many years, so I will not burden this objection with unnecessary duplicating paperwork. I am enclosing a copy of a typical printout I received showing that the brokerage firm acknowledged the IVS (a partner of a larger Chais partnership) investment.

I can't help but think that the denial is an outrage since persons who dealt directly with Madoff have been reimbursed .

The second claim (013435) was for my Trust and that money went directly to a Partnership of Stanley Chais (no brokerage firm was involved)

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I await your answer. Don't wait too long since I just had my 84th birthday this week..

RUSSELL G. SHERMAN
Claim #005692 and claim # 013435



SMITHBARNEY

Ref: 00001014 00030312

Select Client Individual Retirement Account

March 1 - March 31, 2006

RUSSELL G. SHERMAN

Account number 529-66629-18 459

Other Investments

Chais / Madoff

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated income (annualized)
832.470	IV S INVESTMENTS LP			Please provide		\$ 1.00	\$ 832,470.00	\$ 0.00** ST		
	Cost other investments			\$ 0.00			\$ 832,470.00	\$ 0.00** LT		
	Total portfolio value			\$ 46,206.78			\$ 884,316.28	\$ 3,745.58** ST	18	\$ 1,455.85
							(\$ 3,034,479.11)			

Unrealized Gain/Loss is only calculated when an original cost basis is available.

TRANSACTION DETAILS

All transactions appearing are based on trade data.

Bank Deposit ProgramSM activity

The term DEPOSIT typically refers to client initiated deposit of funds. The term AUTODEPOSIT typically refers to the "sweep" of funds into a Program Bank that results from proceeds of a transaction, a dividend from a stock or interest from a bond. Conversely, WITHDRAWAL is the term that refers to transactions that cause funds to be redeemed from your Program Bank, such as the payment for an investment purchase or the payment of FMA checks that you have written.

Date	Activity	Description	Amount
03/01/06	Autodeposit	BANK DEPOSIT PROGRAM	13.44
	Opening balance		\$ 7,270.91

Date	Activity	Description	Amount
03/13/06	Autodeposit	BANK DEPOSIT PROGRAM	20.00
		BANK DEPOSIT PROGRAM INTEREST CREDITED (SEE DETAILS UNDER EARNINGS DETAILS)	22.73
		Closing balance	\$ 7,327.08

EARNINGS DETAILS

The tax status of earnings is reliable to the best of our knowledge. Taxable and non-taxable designations refer to the federal income tax status of your securities, not of your account.

Other dividends

Date	Description	Comment	Taxable	Non-taxable	Amount
03/10/06	NAUTILUS INC	CASH DIV ON 200,000 SHS	\$ 20.00		\$ 20.00
		X/D 02/15/06			
03/13/06	MFS MULTIMARKET INCM TR SBI	CASH DIV ON 420,000 SHS	13.86		13.86
		X/D 03/09/06			
	Total other dividends earned		\$ 33.86	\$ 0.00	\$ 33.86

08-01789-cgm

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Main Document

